EXHIBIT 21

Puerto Rico

Donahue’s Handover Report Cites Continuing Challenges for PREPA

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No non-Puerto Rico banks have expressed interest in serving as a depository agent for the special purpose vehicle being established for the proposed $9 billion Puerto Rico Electric Power Authority restructuring, according to outgoing Chief Restructuring Officer Lisa Donahue's handover report.

The existing restructuring support agreement between PREPA and its creditors requires the depository agent to be a non-Puerto Rico bank, and Donahue’s report cites as a “key follow-through action” the need to “obtain agreement from creditors on a solution to the existing challenge created by the RSA’s mandate that the depository be a non-Puerto Rico bank. To date, no non-Puerto Rican banks have expressed interest in the role.” The existing RSA also contains other milestones, such as the need to have the SPV structure validated by courts and the need for an investment-grade rating on bonds, that PREPA officials and creditor sources have acknowledged would have to be changed in order to execute the proposed restructuring.

Donahue’s contract expires Feb. 15, and the CRO informed the PREPA board of directors in a Feb. 1 letter that she did not intend to seek an extension of that contract, PREPA officials said today. Donahue’s departure next week has been widely expected after Gov. Ricardo Rosselló questioned the need to continue with Donahue’s contract and the Fiscal Agency and Financial Advisory Authority, or AAFAF, announced it would be taking the helm of PREPA creditor talks after winning an RSA extension until March 31.

AAFAF Executive Director Gerardo Portela said the talks are aimed at making “the necessary modifications and improvements to the RSA so that we may implement a consensual restructuring under Title VI of PROMESA that will gain the support of Gov. Ricardo Rosselló." PREPA Executive Director Javier Quintana has said that continuing talks could result in better terms for PREPA.

Donahue’s report also says that other key follow-through actions regarding the special purpose vehicle infrastructure include finalizing disclosure documents and technology and reporting change requirements in order to implement the billing system changes the deal requires. Reorg Research saw a “confidential and preliminary” hard copy of the report that was circulated this week among Puerto Rico lawmakers.

The report notes that changes implemented by Donahue and AlixPartners saved $64 million annually in fuel purchases and increased credit terms to about 60 days from 30 days. Under Donahue, PREPA also instituted a strategy to lower the electric grid’s spinning reserve requirements that saved $13.4 million during a 10-month period.

Donahue’s report cites some progress in collecting on past due invoices from government, residential and business clients. The report says that the government’s past due balance, which was in excess of $255 million, improved by $70 million, while other cash collections increased by $65 million. The PREPA CRO also says that PREPA has been able to lower the amount of electric bills being challenged by clients to $18 million from $43 million. The government power utility has begun charging municipalities for energy use consumed by for-profit operations or for usage above an annual contributions in lieu of taxes cap. That adds up to some $2 million monthly, she says.

The handover report also cites progress in collection on a portfolio of more than 100,000 inactive accounts with a nominal value of $140 million that ranged in age from six months to more than five years. There was no collection efforts on these accounts, but PREPA contracted three collection agencies in August 2015 to collect on some 30,000 accounts with a balance of $80 million. So far, more than $4 million has been recovered to date, according to the report.

The report also highlights PREPA's continuing problem with energy theft, the major contributor to PREPA's non-technical energy losses, which totaled 6.4% of net generated energy in 2014, adding up to a $238 million loss. The report indicates that the NTL was cut to 5% by October 2016 from 6.4% for a savings in excess of $50 million, which generated cash recoveries for past consumption of up to $24 million.

Changes to PREPA employees' health plans have saved $6 million annually, but medical benefits costs are set to increase by $9 million and PREPA's contribution to the plan is set to increase from $24 million paid in 2014, the report indicates.
